Supreme Court, U.S.
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No. 95-___

In The

Supreme Court of the United States

October Term, 1995

INTERNATIONAL RECTIFIER CORPORATION,

Petitioner,

v.

SGS-THOMSON MICROELECTRONICS, INC.,

Respondent.

On Petition For A Writ Of Certiorari To The United States Court Of Appeals For The Federal Circuit

PETITION FOR A WRIT OF CERTIORARI

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QUESTION PRESENTED

When a party seeks only equitable relief (in this case an injunction barring further acts of patent infringement), does the opposing party gain the right to a jury trial under the Seventh Amendment to the United States Constitution merely by re-casting its defenses (here, patent invalidity and non-infringement) as counterclaims for declaratory relief?

LIST OF PARTIES AND AFFILIATES

Pursuant to Supreme Court Rule 29.1, there are no parent companies or non-wholly owned subsidiaries of the petitioner, International Rectifier Corporation.

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PETITION FOR A WRIT OF CERTIORARI

International Rectifier Corporation ("International Rectifier" or "IR") respectfully petitions for a writ of certiorari to review an order of the United States Court of Appeals for the Federal Circuit mandating a jury trial of the underlying action – an action in which IR seeks only equitable injunctive relief barring SGS-Thomson Microelectronics, Inc. ("ST") from committing further acts of patent infringement.

This Court recently granted certiorari to review a very similar jury trial order by the same court of appeals in another case. (Order Granting Certiorari in *American Airlines, Inc. v. Lockwood*, No. 94-1660, 115 S. Ct. 2274

(June 5, 1995).) The fundamental legal basis for mandating a jury trial in this case was the Federal Circuit's decision in *In re Lockwood*, 50 F.3d 966 (Fed. Cir.), *cert. granted*, 115 S. Ct. 2274 (1995), the decision now under review by this Court.

DECISIONS BELOW

The opinion of the court of appeals, issued April 25, 1995, is unreported.[1] A reproduction appears in the appendix accompanying this petition at pages App. 1-4. None of the rulings by the district court have been reported. The two district court orders that directly relate to this petition, filed February 22, 1995 and April 11, 1994, are reproduced in the appendix at pages App. 5-6 and App. 7-8, respectively.

STATEMENT OF JURISDICTION

International Rectifier seeks review of an order of the Court of Appeals for the Federal Circuit issued April 25, 1995, directing the district court, by writ of mandamus, to conduct a jury trial in this case. The jurisdiction of this Court is invoked under 28 U.S.C. § 1254(1). The court of appeals had jurisdiction to issue the writ of mandamus under the All Writs Act, 28 U.S.C. § 1651. The district

[1] IR has requested publication of the Federal Circuit's decision as a precedential order. As of the date of this petition, there has been no action on IR's request.

court has jurisdiction over this case under 28 U.S.C. §§ 1331, 1338.[2]

CONSTITUTIONAL PROVISIONS AND STATUTES INVOLVED

United States Constitution, Seventh Amendment:

> In Suits at common law, where the value in controversy shall exceed twenty dollars, the right of trial by jury shall be preserved, and no fact tried by jury, shall be otherwise re-examined in any Court of the United States, than according to the rules of the common law.

Declaratory Judgment Act, 28 U.S.C. § 2201(a):

> In a case of actual controversy within its jurisdiction, . . . any court of the United States, upon the filing of an appropriate pleading, may declare the rights and other legal relations of

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[2] On July 5, 1995, the district court entered an order which had the effect of staying the underlying litigation pending the outcome of reexamination proceedings in the United States Patent and Trademark Office relating to the patents-in-suit. (Order Granting in Part International Rectifier's Motion to Amend Order of Dismissal, entered July 5, 1995.) ST has purported to "appeal" from the district court's order by filing a notice of appeal on July 6, 1995. Because there has been no final order or other final decision in the case, however, IR moved the Federal Circuit on July 19, 1995, to dismiss ST's "appeal" for lack of appellate jurisdiction. *See Brace v. O'Neill*, 567 F.2d 237, 241-43 (3d Cir. 1977); *Quinn v. CGR*, 828 F.2d 1463, 1465 & n.2 (10th Cir. 1987); *Intermedics Infusaid, Inc. v. Regents of the Univ. of Minn.*, 804 F.2d 129, 132 n.5 (Fed. Cir. 1986); *Gould v. Control Laser Corp.*, 705 F.2d 1340 (Fed. Cir.), *cert. denied*, 464 U.S. 935 (1983). IR's motion to dismiss the appeal is pending.

> any interested party seeking such declaration, whether or not further relief is or could be sought. Any such declaration shall have the force and effect of a final judgment or decree and shall be reviewable as such.

STATEMENT OF THE CASE

While the underlying action seeks an injunction for patent infringement, this petition involves no issue of patent law. The issue raised by this petition involves the interpretation and application of the jury trial right conferred by the Seventh Amendment to the United States Constitution. The facts of this case are very similar to the facts of *American Airlines, Inc. v. Lockwood*, No. 94-1660, the case in which this Court recently granted certiorari to review a strikingly similar jury trial issue. The limited extent to which the salient facts differ from *Lockwood*, however, make the grant of certiorari even more appropriate here.

From the outset of this case, International Rectifier has sought *only equitable relief* – an *injunction* against further patent infringement by ST. In answer to IR's claims, ST asserted the customary affirmative defenses of patent invalidity and unenforceability, and alleged that its accused products do not infringe IR's patents. ST also re-cast its defenses as counterclaims for declaratory relief and made a demand for trial by jury. All of the matters to be tried in this case were put in issue by IR's complaints and ST's affirmative defenses; nothing whatsoever was added by ST's counterclaims for declaratory relief.

On this record, the district court struck ST's jury demand, concluding that "no right to a trial by jury exists as to any issue in this case." (App. 8.) ST later moved to reinstate its jury demand after the Federal Circuit issued its decision in *Lockwood*. The district court did not read *Lockwood* as requiring a jury trial of ST's declaratory judgment claims and therefore denied ST's motion. (App. 5-6.)

ST then petitioned the Court of Appeals for the Federal Circuit to issue a writ of mandamus directing the district court to try ST's counterclaims for declarations of patent invalidity, unenforceability and noninfringement to a jury. The Federal Circuit, in the decision for which review is sought, granted ST's petition in part, directing the district court to reinstate ST's jury demand for its counterclaims seeking declaratory judgments of noninfringement and invalidity. (App. 1-3.) The Federal Circuit denied ST's petition with respect to its demand for a jury trial of patent unenforceability due to alleged inequitable conduct, and that portion of the court's decision is not at issue in this petition. (App. 4.)

On May 2, 1995, International Rectifier petitioned the Federal Circuit for a rehearing *en banc* to reconsider the grant of mandamus and, upon that reconsideration, to deny ST's petition for a writ of mandamus in its entirety. As of the date hereof, the Federal Circuit has not acted on IR's request for rehearing *en banc*.

REASONS FOR GRANTING THE PETITION

I. THIS COURT HAS ALREADY RECOGNIZED THE NATIONAL IMPORTANCE OF THE QUESTION PRESENTED.

The issue of whether a Seventh Amendment jury trial right attaches to ST's declaratory relief claims on the facts of this case is of fundamental importance – both in constitutional terms and in terms of the administration of justice by the district courts. As Circuit Judge Nies recognized in her dissent in *Lockwood*: "No more important nor contentious an issue arises in patent law jurisprudence than the appropriate role of juries in patent litigation." *Lockwood*, 50 F.3d at 980-81 (Nies, J., dissenting from denial of rehearing *en banc*).

Although the Federal Circuit issued its aberrant decision here in a non-precedential form, the decision portends the direction the Federal Circuit is heading and exacerbates the need created by the errors of *Lockwood* for constitutional guidance from this Court. As the Court has already been told in briefing on the *Lockwood* petition for a writ of certiorari, the Federal Circuit's decision in the instant case has "***intensified*** the conflict" with "the decisions of this Court" first created by *Lockwood*. (Petitioner's Reply Brief in *American Airlines v. Lockwood*, No. 94-1660, p. 6, dated May 16, 1995 (emphasis added); *see also* Brief of *Amicus Curiae* AIPLA in Support of Petitioner in *American Airlines, Inc. v. Lockwood*, No. 94-1660, pp. 6-7, dated May 8, 1995.) By granting certiorari to review the Federal Circuit's decision in *Lockwood*, this Court has acknowledged, at least implicitly, the importance of this

jury trial issue and the need for guidance in this area. But this Court's review of *Lockwood* is now in jeopardy.

As the Court undoubtedly is aware, Mr. Lockwood recently moved to dismiss *Lockwood* as "moot" based on his stipulation to a bench trial of American Airlines' declaratory judgment counterclaims. (Motion to Dismiss as Moot, filed in Case No. 94-1660 on June 19, 1995.) Indeed, Mr. Lockwood specifically so stipulated "for purposes of mooting the case pending before [this] Court. . . . " (*Id.*, appendix, p. 2.) The instant case between IR and ST, therefore, may be the only viable vehicle for clarifying the breadth of the Seventh Amendment right to a jury trial of claims for declaratory judgments. Moreover, the instant case is the only present vehicle for this Court to guide the application, if any, of the Seventh Amendment jury trial right to wholly equitable claims mirrored by claims for declaratory relief.

The orderly administration of justice in the district courts will also fall victim to the Federal Circuit's pronouncement of what claims must be tried to a jury, if that pronouncement is allowed to stand. After *Lockwood* and now the Federal Circuit's decision in this case, ***a district court can be compelled, on demand, to hold a jury trial in every single patent case.*** This is so whether or not the patentee has filed suit seeking only equitable injunctive relief (as IR did here), or, indeed, whether or not the patentee has filed suit at all. An accused infringer can compel a jury trial by merely filing a declaratory judgment claim (or counterclaim) and a jury demand. Of course, the patentee can always compel a jury trial by suing for money damages.

The conventional wisdom used to be that patent cases should be tried to judges. *See, e.g., Blonder-Tongue Labs, Inc. v. Univ. of Illinois Found.*, 402 U.S. 313, 336 n.30 (1971) (noting that only 13 of 382 patent cases tried during the three-year period of 1968-1970 were tried to juries). Consequently, the impact on our court system of jury trials in patent cases was relatively small. It is therefore not surprising, as Judge Nies observed in *Lockwood*, that this Court has not addressed the role of juries in patent cases in this century. 50 F.3d at 980.

Today, however, parties routinely demand juries. *Id.* at 980 n.1 ("In fiscal year 1994, 70% of patent trials were tried to juries.") Unless corrected by this Court, the Federal Circuit's rulings in *Lockwood* and in this case will impose a significant burden on the resources of the federal judiciary by mandating juries, on demand, where they have never been required before. As the American Intellectual Property Law Association ("AIPLA") recently explained the problem to this Court, the resulting burden on our federal judiciary could be enormous:

> Even before this very recent trend toward a large majority of patent trials being tried to juries, patent trials were among the most lengthy of all types of cases tried in our Federal Courts. And, a patent jury trial typically consumes much more time than the same case would have taken as a bench trial to a Federal Judge. . . .
>
> . . . .
>
> The Federal Circuit's panel decision . . . opens floodgates potentially to deluge our Federal Courts with an even greater number of

> patent jury trials. And worse, it may open such floodgates in all cases involving a declaratory judgment count.

(Brief of *Amicus Curiae* AIPLA in Support of Petitioner in *American Airlines, Inc. v. Lockwood*, No. 94-1660, pp. 5-7, dated May 8, 1995.) The AIPLA's comments stemmed from the Federal Circuit's decisions in both *Lockwood* and this case. As the AIPLA put it, the decision in the present case ***"reinforces*** AIPLA's concerns with respect to the potential effects of the order in *Lockwood* ***on all future declaratory judgment cases."*** (*Id.*, p. 7 (emphasis added).)

II. THE FEDERAL CIRCUIT'S DECISION CONFLICTS WITH MANY DECISIONS OF THIS COURT AND OTHER CIRCUITS.

A. The Federal Circuit Has Rejected The Seventh Amendment Analysis Prescribed By This Court.

The Seventh Amendment preserves the right to a jury trial only in civil actions "at common law." U.S. Const. amend. VII; *Chauffeurs, Teamsters & Helpers Local No. 391 v. Terry*, 494 U.S. 558, 564 (1990). An action "at common law" is one which would have been tried to a common law court, not a court of equity, in 18th-century England. *Tull v. United States*, 481 U.S. 412, 417 (1987).

This Court has repeatedly instructed the lower courts to use a two-part test to determine whether an action is one at common law and, thus, whether a Seventh Amendment right to a jury trial attaches. The test itself is well-settled and straightforward:

> The form of our analysis is familiar. "First, we compare the statutory action to 18th-century actions brought in the courts of England prior to the merger of the courts of law and equity. Second, we examine the remedy sought and determine whether it is legal or equitable in nature." *Tull v. United States*, 481 U.S. 412, 417-418 (1987) (citations omitted). The second stage of this analysis is more important than the first. *Id.*, at 421.

Granfinanciera, S.A. v. Nordberg, 492 U.S. 33, 42 (1989). This test was most recently reaffirmed by this Court in *Wooddell v. Int'l Brotherhood of Electrical Workers*, 502 U.S. 93, 97 (1991).

Applying the test here, the first prong requires that the closest 18th-century English analog to ST's claims for declaratory relief be identified and categorized as either a claim at law (triable to a jury) or in equity (triable to the bench). Thankfully, the search is short and the outcome is clear. As observed by the Federal Circuit in *Lockwood*, the analog to such a declaratory relief claim is a suit for patent infringement in which the affirmative defense of invalidity has been pled. 50 F.3d at 974 & n.9. As such, the declaratory relief claim is like an inverted action for patent infringement where the issues-in-suit are essentially the same, but the positions of the parties are reversed. *Id.* at 975 & n.10. To find the precise historical analog to ST's declaratory relief claims, therefore, one need not look beyond IR's claims – for an injunction *only*. Under 18th-century English practice, a patentee seeking

only an injunction against future infringement was *restricted* to a proceeding in equity. *Id.* at 976.[3]

Turning to the second, and more important, prong of the test prescribed by this Court – *i.e.*, "examin[ation of] the remedy sought [to] determine whether it is legal or equitable in nature," *Tull*, 481 U.S. at 417-18 – the answer becomes self-evident. The relief sought in this case and the relief that would have been sought by a patentee under 18th-century English practice is one and the same – an injunction against future infringement. An injunction is the archetype of equitable relief. *See, e.g., Mertens v. Hewitt Assocs.*, 113 S. Ct. 2063, 2068 (1993). Accordingly, the results reached under both prongs of the Seventh Amendment analysis prescribed by this Court confirm that ST has *no* Seventh Amendment right to have its declaratory relief claims tried to a jury.

In reaching a wholly different, and clearly erroneous, result, the Federal Circuit inexplicably failed to mention, let alone apply, the two-part test. Instead, the court reasoned that its own prior decision in *Lockwood* dictated the result. (*See* App. 1-3.) But the Federal Circuit in *Lockwood* jettisoned this Court's Seventh Amendment test in favor of a test of the Federal Circuit's own making:

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[3] ST argued below that the more appropriate analog to its declaratory relief claims was a writ of *scire facias*, but that argument was specifically rejected in *Lockwood*. 50 F.3d at 974-75 n.9; *see also* 50 F.3d at 985 (Nies, J., dissenting) (pointing out that *scire facias*, even if it were the closest analog, historically was frequently an action in equity with no jury or with only an advisory jury).

> if a particular action entails *either* the adjudication of legal rights, *or, alternatively,* the implementation of legal remedies, the district court must honor a jury demand. . . .

50 F.3d at 972 (emphasis added, citations omitted).

This "either/or" test defies this Court's precedents, which specifically mandate consideration of *both factors* and give greater weight in the analysis to the remedy sought. Here, the Federal Circuit considered *neither factor.* First, it disregarded the fact that the historical analog of ST's declaratory relief claim was IR's claim for only injunctive relief – a claim clearly sounding in equity. Then, as in *Lockwood,* it disregarded entirely the remedy sought by IR, even though this Court has repeatedly emphasized that the relief requested is the more important factor in the Seventh Amendment analysis. *Chauffeurs,* 494 U.S. at 565; *Granfinanciera,* 492 U.S. at 42; *Tull,* 481 U.S. at 421; *Curtis v. Loether,* 415 U.S. 189, 196 (1974).

As Judge Nies explained in her dissent in *Lockwood,* in which the Federal Circuit omitted just the second half of the two-part test, "[t]he panel's holding [in *Lockwood*] is unprecedented." 50 F.3d at 984. "The panel recognizes the two part test (18th Century analog AND remedy) announced repeatedly but changes the 'and' to 'or.' " *Id.* (emphasis in original). "By completely disregarding any analysis of the remedy sought in this case, the panel is accomplishing in this case what the [Supreme] Court specifically rejected in *Tull.*" *Id.* (footnote omitted).

The Federal Circuit's errors in *Lockwood* are already before the Court, although Mr. Lockwood contends they

have been mooted. Because the Federal Circuit compounded those errors in this case, thereby *"intensifl[ying]* the conflict between its decisions and the decisions of this Court" (Reply Brief of Petitioner in *Lockwood*, No. 94-1660, p. 6 (emphasis added)), the present case is even more appropriate for review – and it is not moot.

B. The Federal Circuit Has Created A Conflict Among The Circuits.

Typically, Federal Circuit decisions interpreting substantive patent laws do not create conflicts among the circuits because the Federal Circuit maintains exclusive subject matter jurisdiction over patent appeals. *See* 28 U.S.C. § 1295(a)(1). But, where, as here, the Federal Circuit's decision does **not** depend upon an interpretation of the patent laws, the Federal Circuit can create a circuit conflict.

The Federal Circuit's ruling in this case purports to rest entirely upon general principles of the Seventh Amendment and the Declaratory Judgment Act. In her dissent in *Lockwood*, Judge Nies compared the Federal Circuit's Seventh Amendment analysis with that of other circuits and concluded that *Lockwood* "creates the type of conflict with other circuits that warrants Supreme Court review." 50 F.3d at 987. Judge Nies' observations about *Lockwood* are even more pertinent here, as the Federal Circuit has elevated to new heights the conflict she identified.

The conflict becomes most pronounced when the Federal Circuit's decision in this case is juxtaposed with decisions of other circuits involving intellectual property

rights. No apparent reason exists – whether grounded in the Constitution, statutory or case law, or public policy – why jury trial rights should differ in patent cases as compared with trademark or copyright cases. To be sure, neither the Federal Circuit nor any other circuit has articulated any. But the Federal Circuit in this case found a jury trial "right" where another circuit did not.

In both *Shubin v. United States District Court*, 313 F.2d 250 (9th Cir.), *cert. denied*, 373 U.S. 936 (1963), and *Anti-Monopoly, Inc. v. General Mills Fun Group*, 611 F.2d 296 (9th Cir. 1979), the Ninth Circuit found *no* right to trial by jury of equitable claims involving intellectual property rights despite the existence of opposing claims for declaratory relief.

In *Shubin*, an accused patent infringer brought a declaratory judgment action alleging that the patent was invalid. The patentee counterclaimed for an injunction barring future infringement, but did not seek monetary damages. The Ninth Circuit held, appropriately enough, that there was no right to a jury trial in these circumstances because the claim for relief was "a purely equitable claim." 313 F.2d at 252.

In *Anti-Monopoly*, a potential infringer of a trademark brought claims for unfair competition and declaratory relief alleging that the MONOPOLY trademark was invalid. The owner of the trademark counterclaimed for declaratory and injunctive relief. The infringer's declaratory relief claim was later severed from its claims for damages and tried in a bench trial with the counterclaims for declaratory and injunctive relief. On appeal, the Ninth Circuit held that there was no right to a jury trial of the

infringer's declaratory relief claim because the only issues to be adjudicated were equitable, not legal issues. 611 F.2d at 307-08.

These cases are indistinguishable from the present case. Like the patentee in *Shubin* and the owner of the trademark in *Anti-Monopoly*, IR seeks *only* an injunction, no award of damages is possible, and the only claims left in the case are IR's claims for equitable injunctive relief and ST's redundant declaratory relief claims parroting its affirmative defenses to IR's equitable claims.[4] Yet, if the Federal Circuit's rulings in *Lockwood* and this case are left intact, litigants in the Federal Circuit will have broader Seventh Amendment jury trial rights in patent cases, and perhaps ***all*** declaratory judgment cases, than litigants in the Ninth Circuit will have in trademark, copyright and declaratory judgment cases. Such constitutional disparities are intolerable.

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[4] The Federal Circuit attempted to distinguish *Shubin* and *Anti-Monopoly* from the facts before it in *Lockwood*, but did so in a way that confirmed the similarity of these cases to the facts of this case:

> [In *Shubin*, the] patentee's counterclaim for a permanent injunction against future infringement, paired with its stipulation to the absence of any claim for infringement damages, convinced the court that the issues in the case were purely equitable ones. Likewise, in *Anti-Monopoly*, a trademark case, the court focused on the fact that only injunctive and declaratory claims and counterclaims remained to be adjudicated, concluding that the action was equitable.

50 F.3d at 977 (citation omitted). Curiously, the Federal Circuit ignored these authorities entirely in its decision here, even though IR had heavily relied on them.

C. The Federal Circuit's Extension Of The Jury Trial Right To Claims Involving No Request For Monetary Relief Or The Recovery Of Property Is Not Supported By Any Precedent.[5]

Claims for monetary damages or recovery of real or personal property comprise the *only* forms of relief that this Court has held to trigger a Seventh Amendment right to jury trial.[6] Much of the Court's modern Seventh Amendment jurisprudence has been an effort to classify various actions for monetary relief and the recovery of property as either legal or equitable.[7] In so doing, the Court has never suggested that the constitutional right to a jury trial extends to cases such as the present involving **no** claim for monetary relief or the recovery of property.

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[5] This section of the petition, as well as section III and parts of the others, parallel closely portions of American Airlines' petition for a writ of certiorari in No. 94-1660, dated April 6, 1995.

[6] *See Mertens*, 113 S. Ct. at 2068 ("Money damages are, of course, the classic form of *legal* relief."); *Chauffeurs*, 494 U.S. at 570 (same); *Pernell v. Southall Realty*, 416 U.S. 363, 370 (1974) ("This Court has long assumed that actions to recover land, like actions for damages to a person or property, are actions at law triable to a jury."); *Scott v. Neely*, 140 U.S. 106, 110 (1891) ("All actions which seek to recover specific property, real or personal, . . . are legal actions. . . . "); *Whitehead v. Shattuck*, 138 U.S. 146, 151 (1891) (same); *see also Lockwood*, 50 F.3d at 987 (Nies, J., dissenting).

[7] *See Tull*, 481 U.S. at 422 (civil penalty); *Pernell*, 416 U.S. at 370 (recovery of real property); *Katchen v. Landy*, 382 U.S. 323, 336-40 (1966) (claims for monetary relief in bankruptcy proceeding); *Dairy Queen, Inc. v. Wood*, 369 U.S. 469, 476-79 (1962) (accounting for profits).

Consistent with this Court's precedents, the circuit courts have held that the presence of a claim for monetary relief acts as the touchstone of the right to trial by jury.[8] For example, the District of Columbia Circuit has held that a pending claim for damages is "a prerequisite to a claim that [a party] is being deprived of a right to a jury trial." *Filmon Process Corp. v. Sirica*, 379 F.2d 449, 451 (D.C. Cir. 1967). Similarly, the Sixth Circuit has held that "[a] key dividing line between law and equity has historically been that the former deals with money damages and the latter with injunctive relief." *Hildebrand v. Board of Trustees of Mich. State Univ.*, 607 F.2d 705, 708 (6th Cir. 1979).

The Federal Circuit's departure from this basic distinction between legal and equitable remedies is unprecedented. As apparently the first appellate court to find a Seventh Amendment right to a jury trial in a case involving no claim for monetary relief or the recovery of property, the Federal Circuit has put itself squarely in conflict with its sister circuits and this Court. The Federal Circuit transformed what was once a narrow right applicable to certain claims for monetary relief and the recovery of property into a right of unknown scope, applicable whether or not any traditional legal relief is involved. Review of the Federal Circuit's departure from precedent and practice and its corresponding expansion of the Seventh Amendment is therefore appropriate.

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[8] In most cases the circuit courts have overlooked legal actions for the recovery of property, presumably because these actions are so rarely tried in the federal courts today.

III. THE FEDERAL CIRCUIT'S DECISION CONFLICTS WITH THIS COURT'S DECLARATORY JUDGMENT JURISPRUDENCE.

Since the enactment of the Declaratory Judgment Act, 28 U.S.C. § 2201, this Court has explained on many occasions that declaratory relief is a discretionary, equitable remedy.[9] As this Court explained in *Great Lakes Dredge & Dock Co. v. Huffman*, 319 U.S. 293, 300 (1943), declaratory relief is "essentially an equitable cause of action" and "is analogous to the equity jurisdiction in suits *quia timet* or for a decree quieting title." Indeed, even before the passage of the Declaratory Judgment Act, Justice Brandeis explained that declaratory relief "would . . . come under a familiar head of equity jurisdiction." *Willing v. Chicago Auditorium Ass'n*, 277 U.S. 274, 289 (1928).

In stating that "it would be clear under our order in *Lockwood* that either SGS-Thomson or IR would have a right to a jury trial" if ST "had brought an action seeking declaratory judgments of noninfringement or invalidity" (App. 3), the Federal Circuit rejected outright these Supreme Court precedents as well. According to the Federal Circuit in *Lockwood*, these cases do not "stand for the proposition that declaratory judgment actions are always, or even usually, equitable for Seventh Amendment purposes." 50 F.3d at 979 & n.17. In the Federal Circuit's view, this Court's declaratory judgment jurisprudence is

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[9] *See, e.g., Samuels v. Mackell*, 401 U.S. 66, 70-71 (1971); *Abbott Labs. v. Gardner*, 387 U.S. 136, 155 (1967); *Public Affairs Assoc. v. Rickover*, 369 U.S. 111, 112 (1962) (declaratory judgment action to invalidate a copyright); *Eccles v. Peoples Bank of Lakewood Village*, 333 U.S. 426, 431 (1948).

not relevant because this Court's decisions merely "concern the discretionary nature of the decision to grant declaratory relief in a particular equitable cause of action rather than the Seventh Amendment right to a jury trial." *Id.* at 979 n.17.

Nothing supports the Federal Circuit's reading of this Court's declaratory judgment cases. This Court has held, as a matter of historical fact, that declaratory relief is predominately equitable in nature. And this Court has held, as a matter of constitutional law, that no right to a jury trial attaches to claims historically tried to courts of equity. Actions for declaratory relief were traditionally tried to courts of equity and therefore do not come within the scope of the Seventh Amendment. In holding otherwise in *Lockwood*, the Federal Circuit was apparently led astray by a misunderstanding of the holding in *Beacon Theaters, Inc. v. Westover*, 359 U.S. 500 (1959). *See Lockwood*, 50 F.3d at 973.

In *Beacon*, this Court held that a legal claim for damages must be tried before any bench trial on a claim for declaratory relief. 359 U.S. at 503-04. A claim for declaratory relief, like any other equitable claim, cannot be used to resolve the merits of a legal claim for damages without a jury. *Id.* at 504; *see also Simler v. Conner*, 372 U.S. 221, 223 (1963).

There was, of course, no *Beacon* issue in this case because IR did not bring a legal claim for damages. Thus, there was no legal claim of IR that ST's declaratory relief claim could have resolved at all – let alone resolve it in a way that would have deprived IR of a jury trial right which IR did not have!

Thus, in *Beacon*, this Court held that the character of the affirmative claim for monetary relief, not the claim for declaratory relief, dictated whether the case would be tried to a judge or to a jury. Similarly, as to patent cases, Professor Moore has observed:

> [T]he alleged infringer of a patent cannot dictate the method of trial. While he may take the initiative and bring an action for declaratory and other relief along equitable lines, the patentee can determine the method of trial by counterclaiming for 'legal' or 'equitable' relief, just as he would have the right to do if the position of the parties were reversed and he were the plaintiff and the alleged infringer were the defendant.

5 J. Wm. Moore, *Moore's Federal Practice*, pp. 38-244 and 38-245, ¶ 38.29 (2d ed. 1995). Accordingly, IR's claim for purely equitable injunctive relief here is – and should have been recognized by the Federal Circuit as – controlling.

Before the court of appeals, ST characterized this result as giving one party, the patentee, the unilateral right to elect trial by jury. That characterization is false. A plaintiff always has the right to select the claims on which it will sue and to choose the relief it will seek. Having done so, it is those claims and that relief which control whether a jury trial right will attach *at all*. Because IR has chosen to sue only on a purely equitable claim for an injunction, *no* jury trial right arises, and *neither* IR *nor* ST is permitted to elect trial by jury.

CONCLUSION

For all of the foregoing reasons, IR respectfully requests that its petition for a writ of certiorari be granted.

July 24, 1995

Respectfully submitted,

DAVID E. KILLOUGH*
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**Counsel of Record for Petitioner International Rectifier Corporation*

APPENDIX

NOTE: Pursuant to Fed. Cir. R. 47.6, this order is not citable as precedent. It is a public record.

UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT

MISCELLANEOUS DOCKET NO. 428

IN RE SGS-THOMSON MICROELECTRONICS, INC.,

Petitioner.

ON PETITION FOR WRIT OF MANDAMUS

Before ARCHER, Chief Judge, FRIEDMAN, Senior Circuit Judge, and BRYSON, Circuit Judge.

BRYSON, Circuit Judge.

ORDER

(Filed April 25, 1995)

SGS-Thomson Microelectronics, Inc., (SGS-Thomson) petitions for a writ of mandamus to direct the United States District Court for the Central District of California to reinstate SGS-Thomson's demand for a jury trial. International Rectifier Corporation (IR) opposes.

Briefly, IR sued SGS-Thomson for patent infringement. IR sought only an injunction to prohibit future infringement. SGS-Thomson asserted its defenses and also counterclaimed for declaratory judgments of non-infringement, invalidity, and unenforceability. SGS-Thomson demanded a jury trial on the counterclaims. IR moved to strike SGS-Thomson's jury trial demand. On April 11, 1994, the district court granted IR's motion to

strike the jury trial demand, without explanation. Following issuance of this court's order in *In re Lockwood*, ___ F.3d ___, 33 USPQ2d 1406 (Fed. Cir. 1995), SGS-Thomson moved to reinstate its jury trial demand. The district court denied SGS-Thomson's motion, again without explanation. SGS-Thomson petitions this court for a writ of mandamus to direct the district court to reinstate its demand for a jury trial.

In *Lockwood*, Lawrence W. Lockwood sued American Airlines for patent infringement. Lockwood sought damages for patent infringement and an injunction prohibiting future infringement and demanded a trial by jury. American counterclaimed for declaratory judgments of noninfringement, invalidity, and unenforceability. The district court granted summary judgment of noninfringement and dismissed Lockwood's complaint. The district court determined that it would also decide invalidity and unenforceability. American moved to strike Lockwood's demand for a jury trial, and the district court granted American's motion.

We held that, in determining Lockwood's right to a jury trial on the declaratory judgment counterclaim, we would not consider the relief sought by Lockwood in his complaint because the complaint had been dismissed. *Lockwood*, 33 USPQ2d at 1408. We explained that the closest analogy to the declaratory judgment action was an action for infringement in which the defense of invalidity was asserted. *Id.* at 1412.* Based solely on our consideration

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*We note that here, SGS-Thomson's counterclaims for declaratory judgments of *noninfringement*, invalidity, and unenforceability are

of American's counterclaim for a declaratory judgment of invalidity, we held that Lockwood was entitled to a jury trial if demanded. *Id.* at 1417. In light of *Lockwood* and relevant Supreme Court precedent, discussed below, SGS-Thomson's demand for a jury trial concerning noninfringement and invalidity in this case should be honored.

If SGS-Thomson had brought an action seeking declaratory judgments of noninfringement or invalidity, it would be clear under our order in *Lockwood* that either SGS-Thomson or IR would have a right to a jury trial. The presence of IR's request for injunctive relief does not take those facts or issues away from the jury. *Dairy Queen v. Wood*, 369 U.S. 469, 472-73 (1962) (claims that are legal in nature and thus entitle the parties to a trial by jury may not be treated as subservient to a claim for an injunction so as to deprive a party of its right to a jury trial on the issues involved in the legal claims); *Beacon Theatres, Inc. v. Westover*, 359 U.S. 500, 508 (1959) (same).

IR is incorrect in its argument that a patentee determines whether an alleged infringer is entitled to a jury trial on declaratory judgment claims by the type of relief that the patentee chooses to seek to enforce its patent. Although *Lockwood* mentioned the patentee's remedy choices in its discussion of the history of patent litigation relating to the Seventh Amendment right to trial by jury, 33 USPQ2d at 1414, the court based its decision on the legal nature of the declaratory judgment action, not the nature of the patentee's claim.

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more comparable to an inverted lawsuit for patent infringement than American's counterclaims of invalidity and unenforceability in *Lockwood*.

Thus, we conclude that SGS-Thomson is entitled to a jury trial on its counterclaims for declaratory judgments of invalidity and noninfringement. Neither party, however, is entitled to a jury trial on SGS-Thomson's counterclaim for a declaratory judgment of unenforceability. *See Gardco Mfg., Inc. v. Herst Lighting Co.*, 820 F.2d 1209 (Fed. Cir. 1987).

Accordingly,

IT IS ORDERED THAT:

SGS-Thomson's petition for a writ of mandamus is granted in part; the district court is directed to reinstate SGS-Thomson's jury demand for its counterclaims seeking declaratory judgments of noninfringement and invalidity.

FOR THE COURT

APR 25 1995
Date

/s/ William C. Bryson
William C. Bryson
Circuit Judge

cc: David T. Pritikin, Esq.
David E. Killough, Esq.
United States District Court for the
Central District of California, Judge
United States District Court for the
Central District of California, Clerk

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UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

INTERNATIONAL RECTIFIER CORPORATION, Plaintiff, vs. SGS-THOMSON MICROELECTRONICS, INC., and SGS-THOMSON MICROELECTRONICS, S.r.l., Defendants. AND RELATED COUNTERCLAIMS.	Case No. CV 92-6779-R ORDER DENYING DEFENDANTS' MOTION FOR REINSTATEMENT OF JURY DEMAND (Filed Feb. 22, 1995) Date: February 21, 1995 Time: 10:00 a.m. Courtroom of the Honorable Manuel L. Real

Defendants' motion for reinstatement of their jury demand and for a jury trial came on regularly for hearing before the Court on February 21, 1995 at 10:00 a.m. Plaintiff was represented by David E. Killough, Esq., of O'Melveny & Myers. Defendants were represented by Thomas D. Rein, Esq., of Sidley & Austin. The Court,

having read and considered the papers filed in support of and in opposition to the motion and having heard the oral arguments of counsel, finds that defendants' motion should be and, therefore, hereby is DENIED.

DATED: FEB 22, 1995

/s/ MANUEL L. REAL
Honorable Manuel L. Real
U.S. District Judge

Submitted by:

DAVID E. KILLOUGH
GLENN W. TROST
O'MELVENY & MYERS

By /s/ David E. Killough
David E. Killough
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UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

INTERNATIONAL RECTIFIER CORPORATION, Plaintiff, vs. SGS-THOMSON MICROELECTRONICS, INC.,and SGS-THOMSON MICROELECTRONICS, S.r.l., Defendants. AND COUNTERCLAIMS.	Case No. CV 92-6779 R ORDER ON PLAINTIFF INTERNATIONAL RECTIFIER CORPORATION'S MOTION TO STRIKE DEFENDANTS' JURY DEMAND OR, IN THE ALERTNATIVE, TO BIFURCATE NON-JURY FROM JURY ISSUES (Filed Apr. 11, 1994) Date: March 21, 1994 Time: 10:00 a.m. Courtroom of the Honorable Manuel L. Real

The motion of plaintiff International Rectifier Corporation ("IR") to strike defendants' jury demand or, in the alternative, to bifurcate non-jury issues for separate trial from jury issues, came on regularly for hearing before the Court on March 21, 1994, at 10:00 a.m. The parties were

represented by their respective counsel of record. The Court, having read and considered the papers filed in support of and in opposition to the motion, and having heard the oral argument of counsel, rules as follows:

> IR's motion to strike defendants' jury demand is GRANTED. The Court finds that no right to a trial by jury exists as to any issue in this case and, therefore, defendants' jury demand should be and hereby is stricken pursuant to Rule 39 of the Federal Rules of Civil Procedure. All issues in this case shall be tried to the Court, sitting without a jury.

* * *

DATED: April 11, 1994

/s/ Real
Honorable Manuel L. Real
U.S. District Judge

Respectfully submitted,

DAVID E. KILLOUGH
O'MELVENY & MYERS
By /s/ David E. Killough
David E. Killough
Attorneys for Plaintiff and Counterdefendant International Rectifier Corporation